

July 8, 1999

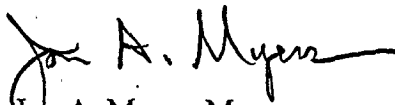
Jo Turner
Contract Manager
1416 9th Street, Room 1148
Sacramento, CA 95814

Re: CalFed Contract No. B81852; First Quarterly Report
Mokelumne River Feasibility Study: East Delta Corridor Habitat Study

Dear Jo,

The East Bay Municipal Utility District (EBMUD) has been awarded \$400,000 by CalFed to provide funds and in-kind services to the Corps of Engineers for a feasibility study of ecosystem restoration opportunities (particularly those with flood hazard reduction benefits) on the Mokelumne River. The proposed project will identify, design, and estimate costs for environmental restoration and flood damage reduction opportunities along the lower Mokelumne River below Camanche Dam. The project is expected to begin in September 1999 and continue to September 2001. The first task of the project is to develop a Project Study Plan (PSP) which will provide a detailed workplan, timeline and budget. EBMUD and the Corps have developed a draft PSP, which is currently under review. It is anticipated that a draft PSP will be submitted to CalFed for review and comment prior to September 30, 1999. The cost for preparation of the PSP is the responsibility of the Corps and EBMUD, therefore no quarterly fiscal report or invoice accompanies this narrative report.

Sincerely,



Jon A. Myers, Manager
Water Resources Planning Division

JAM:JRS:rm

